
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE
PHONE (317) 232-3777
FAX (317) 232-8779



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204

MEMORANDUM

DATE: June 2007

TO: Political Subdivisions
County Auditors, Assessors, and Treasurers
Township and Trustee Assessors

FROM: Department of Local Government Finance

SUBJECT: New Property Tax Laws from the 2007 Session of the General Assembly

The following is a brief summary of the property tax provisions that were passed in the 2007 Legislative Session of the General Assembly. For ease of reference, statutory cites are included in the summary points listed below. To review these Acts in their entirety, go to the following website: www.in.gov/apps/lga/session/billwatch/billinfo.

Senate Enrolled Acts (SEA)

SEA 30 (P.L. 45-2007)

- Added IC 20-47-1-6 that allows governing body of school corporation to donate up to \$25,000 per year from school general fund to a public school endowment corporation (PSEC) if (1) donation is matched by a private donation; (2) PSEC retains all rights to the donation; and (3) PSEC agrees to distribute funds only as directed by governing body of school corporation, keep books open for state auditors, and to return all funds to school general fund if PSEC is terminated. School corp. may only use distributions for programs and activities that (1) enhance quality of education or (2) extend learning opportunities. Section expires 6/30/12. [Effective 7/1/07]

SEA 123 (P.L. 47-2007)

- Amended a number of references in IC 36-8-19 to allow a participating unit to adopt either a resolution or an ordinance to take certain actions in regard to fire protection territories. [Effective 7/1/07]
- A resolution adopted prior to 7/1/07 that would have been valid under the language in this act is legalized and valid. [Effective upon passage (4/25/07)]

SEA 157 (P.L. 130-2007)

- Amends IC 36-12-3-16 to allow a library board to adopt a resolution allowing money in the library fund to be used for lawful purposes, including advertising and promoting the programs and services of the library. [Effective 7/1/07]
- Amends IC 36-12-6-3 to allow county contractual library boards to have all the powers and duties of other library boards under IC 36-12-3, including the power to issue bonds and ability to enter into leases. [Effective 7/1/07]

SEA 211 (P.L. 133-2007)

- Amends IC 36-1-12-4.5 and IC 36-1-12-13.1 to change the dollar limit at which a political subdivision shall require a bond or certified check to be filed with each bid. New cut-off is \$200,000. [Effective 7/1/07]
- Amends IC 36-1-12-14 to allow Board to require a contractor and subcontractor to include contract provisions for retainage for public works contracts that are not more than \$200,000. [Effective 7/1/07]
- Amendments in bill apply to public works contracts entered into after 6/30/07. [Effective 6/30/07]

SEA 287 (P.L. 219-2007)

- Amends IC 3-8-1-23 to require a candidate for the office of county assessor who runs in an election after June 30, 2008 to have attained Level II certification. [Effective 1/1/08]
- Adds IC 3-8-1-23.5 to require a person who runs for township assessor in an election after June 30, 2008 to attain Level II Certification BEFORE taking office. Requires a person who runs for township trustee who performs assessing duties in an election after June 30 2008 to attain Level II Certification BEFORE taking office. If the person wins the election and fails to achieve Level II Certification before taking office, the person forfeits their assessment duties for the entire term of office. [Effective 1/1/08]
- Amends IC 4-21.5-2-4, IC 4-21.5-2-6, IC 4-21.5-5-3, IC 4-21.5-5-6 to exempt judicial review of IBTR determinations from AOPA requirements. [Effective 7/1/07]
- Amends IC 4-22-5-1 to remove redundant language requiring DLGF and IBTR to rely on evidence in making determinations. [Effective 7/1/07]
- Amends IC 5-1-18-6 to require political subdivisions to supply information concerning debt issues to the DLGF no later than December 31 of the year in which the bonds are issued or the lease is executed. [Effective 7/1/07]
- Adds IC 6-1.1-1-24 to require any reference made to township assessing duties to refer to the county assessor for townships where assessing duties have been transferred. [Effective 1/1/08]
- Amends IC 6-1.1-3-10 to provide that taxpayers holding personal property in two or more townships shall file additional returns required by law with the county assessor, not the DLGF. [Effective 1/1/08]
- Amends IC 6-1.1-3-18 to require that the county assessor “shall review and may audit” personal property returns and shall determine which assessments appear to be improper. [Effective 1/1/08]

- Amends IC 6-1.1-4-11 to require disaster petitions to be filed with the county assessor, not the DLGF. The county assessor is given authority to order a reassessment if a disaster occurred. [Effective 1/1/08]
- Amends IC 6-1.1-4-27.5 and IC 6-1.1-4-28.5 to allow the township and county assessor to petition the county fiscal body for an increase in the reassessment levy and to expend money from the fund on expenses for verification of sales disclosure forms by county or township. [Effective 1/1/08]
- Amends IC 6-1.1-5.5-3 to require the county assessor to review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form, stamp the form as “eligible for filing with the county auditor” and process it as soon as possible. Form is considered accurate and complete if (1) the county assessor does not have substantial evidence that the form is inaccurate, (2) the form substantially complies with the form prescribed by DLGF, and (3) the form is in a format useable by the county assessor.
 - County assessing officials and other local officials may not establish procedures and requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of law. [Effective 7/1/07]
- Amends IC 6-1.1-8.7-3 to allow the county assessor in a county with an industrial facility over \$25 million in real property assessed value to petition the DLGF to assess the facility for the assessment date in that year. Petition must be filed before January 1 of the assessment year. [Effective 7/1/07]
- Amends IC 6-1.1-8.7-8 to conform appeal process for non-Lake County industrial facilities to the Lake County industrial facility appeal process of IC 6-1.1-8.5. [Effective 7/1/07]
- Amends IC 6-1.1-11-3 to restore the deadline for filing a Form 136 exemption application to “on or before May 15.” [Effective 1/1/07]
- Amends IC 6-1.1-12-9 to raise the assessed value limit for the over 65 deduction to \$182,430. [Effective 3/1/07]
- Amends IC 6-1.1-12-14 to raise the assessed value limit for the veteran disability deduction to \$143,160. [Effective 3/1/07]
- Amends IC 6-1.1-12-17.4 to raise the assessed value limit for the World War I deduction to \$206,500. [Effective 3/1/07]
- Amends IC 6-1.1-12.1-1 to modify the definition of abatable equipment to include both equipment (1) acquired in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation AND (2) equipment acquired in any manner, if the tangible personal property has never been previously used in Indiana before the installation and has never been used for any purpose in Indiana before the installation. [Effective 1/1/06]
- Adds IC 6-1.1-12.1-15 to provide a procedure for the various types of property tax abatement to correct an erroneous understatement of assessed value deduction by the application of a separate deduction after the regular abatement schedule expires.
 - Applies if a taxpayer makes an error in filing property tax abatement and “the taxpayer is entitled to a correction of the error” under IC 6-1.1.

- For the various types of property tax abatement, provides a procedure to correct an understatement of an assessed value deduction that results from an error by the taxpayer by the application of a separate deduction after the regular abatement schedule expires.
- “If the county auditor applies an incorrect deduction for more than one assessment date, the county auditor shall combine the amounts of deduction corrections.”
- If the combined amount exceeds the assessed value of the real property or personal property for the assessment date, then the deduction is carried over from year to year until exhausted.
- A taxpayer is not required to file an application for a deduction under this section.

[Effective July 1, 2007]

- Adds IC 6-1.1-12.4-14 to provide a procedure for correction of an erroneous understatement of an investment deduction by application of a separate deduction after the regular investment deduction schedule expires. Corrections applied in the same manner as abatement corrections under IC 6-1.1-12.1-15. Applies to assessment dates after 12/31/07. [Effective 7/1/07]
- Adds IC 6-1.1-15-0.5, which adds the term “county board” as a reference to the property tax assessment board of appeals. [Effective 7/1/07]
- Amends IC 6-1.1-15-1, to require filing of a notice of appeal with county or township assessor within either (a) 45 days after the date of the Form 11, or (b) if a Form 11 notice is not given, the later of the following:
 - For an assessment date before 2009, the notice must be filed on or before May 10 of the assessment year.
 - For an assessment date after 2008, the notice must be filed not later than the later of (i) May 10 of the assessment year, or (ii) 45 days after the mailing of the auditor’s statement under IC 6-1.1-17-3(b).

A change in assessment made as a result of an appeal remains in effect until the next assessment date that the assessment is changed. Procedural steps for processing the notice of appeal are:

- County or township official receiving notice of appeal shall immediately forward it to the PTABOA.
- PTABOA shall hold a hearing not later than 180 days after the date the notice of appeal was filed.
- PTABOA shall give notice of the date, time, and place of the hearing to the taxpayer and assessing official.
- Before the hearing is held, the taxpayer may request an informal meeting to attempt to resolve issues or seek a joint recommendation for settlement. If taxpayer makes this request, the assessing official must meet with taxpayer. If a joint recommendation is reached, the taxpayer and assessor must present it to the PTABOA at the scheduled hearing date. PTABOA may adopt or reject the recommendation in whole or in part.
- At the hearing, taxpayer may present reasons for disagreement with the assessment, and the county or township official must present the basis for

the assessment decision and the reasons that the taxpayer's contentions should be denied.

- PTABOA shall prepare written decision resolving all issues and mail notice of the decision within 120 after the hearing date.
- If PTABOA does not (a) hold the hearing or (b) make a decision within the time allowed, the taxpayer may choose to appeal directly to the IBTR at any time, OR wait for the PTABOA to take the appropriate action.

[Effective 7/1/07]

- Amends IC 6-1.1-15-3 governing procedures for PTABOA action and appeal to IBTR. Clarifies that IBTR has jurisdiction over assessment appeals and exemption claims. States that county assessor is the responding party in taxpayer appeals before the IBTR. Allows a county assessor to appeal a PTABOA decision if the county assessor voted against the PTABOA decision. Changes time for filing appeal to the IBTR from 30 days to 45 days after notice of PTABOA determination. Party filing appeal must file directly with IBTR and serve the opposing party (taxpayer or county assessor). [Effective 7/1/07]
- Amends IC 6-1.1-15-4 to change the appeal procedures before the IBTR. Allows IBTR to schedule hearing with less than 30 days notice IF all parties agree. Requires IBTR to give notice of determination to all parties including any amicus curiae. Removes ability of taxing unit to intervene in cases involving at least 1% of assessed value of taxing unit's territory. [Effective 7/1/07]
- Amends IC 6-1.1-15-5 to remove the AOPA requirements for judicial review to the Tax Court. States that a petition for judicial review must:
 - Be filed with the Tax Court
 - Be served on (A) the county assessor; (B) the attorney general; and (C) any entity that participated as amicus curiae before the IBTR.
 - Petitioner must also file a written notice of appeal with IBTR.Changes time to file for judicial review after IBTR rehearing is granted from 30 days to 45 days. [Effective 7/1/07]
- Amends IC 6-1.1-17-5, IC 6-1.1-17-5.6 and IC 36-12-3-12 to change the adoption date of budgets for all units of government, except fiscal schools, to September 30. [Effective 7/1/07]
- Amends IC 6-1.1-18-12 to require the DLGF to adjust the maximum tax rates for certain rate controlled levies to account for assessed value changes resulting from a reassessment or annual adjustments. [Effective 7/1/07]
- Amends IC 6-1.1-18-13 to require the DLGF to adjust the maximum tax rate for the school capital projects fund levy to account for assessed value changes resulting from a reassessment or annual adjustments. [Effective 1/1/07]
- Adds IC 6-1.1-18.5-4.5 to require the DLGF to adjust township and county levies if assessment duties are transferred. [Effective 1/1/08]
- Amends IC 6-1.1-18.5-9.8 to require the DLGF to adjust the maximum tax rates for certain rate controlled levies to account for assessed value changes resulting from a reassessment or annual adjustments. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-12 to allow a political subdivision to file a shortfall levy appeal on or before December 31. Removes the provision that allowed a unit to file until March 1 of the ensuing calendar year. [Effective 7/1/07]

- Amends IC 6-1.1-18.5-17 by adding a provision that allows taxing units to withhold the amount of preceding year collections shortfall from levy excess deposit. [Effective 1/1/08]
- Adds IC 6-1.1-20-1.8 to define “county voter registration office” for purposes of the petition and remonstrance process. [Effective upon passage (5/11/07)]
- Adds IC 6-1.1-20-1.9 to define “registered voter” for purposes of the petition and remonstrance process. [Effective upon passage (5/11/07)]
- Amends IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2 to allow registered voters *and* owners of real property to initiate a petition and remonstrance process.
 - County voter registration office determines whether each person who signed is a registered voter, and forwards the information to the county auditor within 15 business days of receipt of petition.
 - Not more than 10 business days after receipt of the petition, the county auditor shall provide the county voter registration office a statement verifying whether a petitioner is an owner of real property in the political subdivision.
 - Remonstrator can only sign a petition one time in a particular petition/remonstrance regardless of whether or not the individual owns more than one real property parcel in the taxing unit territory and regardless of dual status as a registered voter *and* real property owner.
 - If a petition is received within 35 days of an election, the voter registration office can wait until five days after the election to begin review of the information.

[Effective upon passage (5/11/07)]

- Amends IC 6-1.1-21-4 with a technical change on property tax replacement credit withholding language to reference “sales disclosure form data.” [Effective 1/1/08]
- Amends IC 6-1.1-21-5 to change the reference to property taxes due and payable from “due and payable in May and November” to “due and payable in that year.” [Effective 1/1/08]
- Amends IC 6-1.1-22-9 to allow a county treasurer to proceed with the mailing or transmission of tax bills without consideration of shortfall appeal petitions filed by schools or local units of government.
 - If notices of a general reassessment under IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an assessment date in a calendar year are given by a county to the taxpayers in the county after March 26 of the immediately succeeding calendar year, the property taxes otherwise due and payable on May 10 of the immediately succeeding calendar year are due on the later of:
 - (a) May 10 of the immediately succeeding calendar year; or
 - (b) 45 days after notices are given to taxpayers in the county.
 - If the above applies, the November 10 installment is due not later than the later of:
 - (a) November 10 of the immediately succeeding calendar year; or
 - (b) A date determined by the county treasurer that is not later than December 31 of the immediately succeeding calendar year.

[Effective 1/1/08]

- Amends IC 6-1.1-22.5-8 to change the payment date for provisional bills from May and November to dates certain set by order of the DLGF. [Effective 1/1/08]
- Amends IC 6-1.1-22.5-9 to change requirement that property taxes are due in two equal installments on May 10 and November 10 of the year following the assessment date covered by the provisional statement.
 - If notices of a general reassessment under IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an assessment date in a calendar year are given by a county to the taxpayers in the county after March 26 of the immediately succeeding calendar year, the property taxes otherwise due and payable on May 10 of the immediately succeeding calendar year are due on the later of:
 - (a) May 10 of the immediately succeeding calendar year; or
 - (b) 45 days after notices are given to taxpayers in the county.
 - If the above applies, the November 10 installment is due not later than the later of:
 - (a) November 10 of the immediately succeeding calendar year; or
 - (b) A date determined by the county treasurer that is not later than December 31 of the immediately succeeding calendar year.
- [Effective 1/1/08]
- Amends IC 6-1.1-22.5-12 to change reference to November installment of a provisional bill to “second installment.” [Effective 1/1/08]
- Amends IC 6-1.1-22.5-18 to change reference to May installment of a provisional bill to “first installment.” [Effective 1/1/08]
- Amends IC 6-1.1-28-1 to allow a Level III appraiser to sit on the PTABOA. [Effective 7/1/07]
- Amends IC 6-1.1-30-14, to require the DLGF to conduct ratio studies after December 31, 2008, required for equalization and annual adjustments and allows DLGF to recommend changes to the state’s property tax laws to the general assembly. [Effective 7/1/07]
- Amends IC 6-1.1-35.5-1 and adds IC 6-1.1-35.5-4.5 to require the DLGF to conduct and administer a Level III assessor-appraiser certification program and to develop a curriculum for the program. DLGF may adopt rules to administer the program. The curriculum shall consist of tested courses offered by nationally recognized assessing organizations and shall require superior knowledge of assessment administration and property valuation concepts. A person who receives Level II certification may apply for Level III. [Effective 7/1/07]
- Amends IC 6-1.1-37-10 which lowers the penalty to five percent if an installment of property taxes is completely paid within thirty days after the due date and the taxpayer is not liable for delinquent property taxes first due and payable on a previous installment. [Effective 1/1/08]
- Adds IC 6-1.5-2-6 to require the IBTR to charge a person appealing to Tax Court for the cost of preparing the administrative record. [Effective 7/1/07]
- Amends IC 6-1.5-5-4 to modify the IBTR standard of review for DLGF assessment cases to conform to IBTR standard of review for local assessor cases. Clarifies that IBTR is not bound to adopt the proposed findings of an

administrative law judge that it designates to conduct a hearing, provides that IBTR bases its decision on the record created at the hearing. [Effective 7/1/07]

- Amends IC 8-14-9-12, IC 8-22-3-16, IC 12-29-1-5, IC 12-29-2-18, IC 14-27-6-40, and IC 20-48-1-8 relating to the right of taxpayers *and voters* to remonstrate against local government debt issues. [Effective upon passage (5/11/07)]
- Amends IC 36-2-5-3 to add Level III certification to increased compensation and specify that its application is regardless of whether the assessor or deputy assessor attained the level II certification while in office or before assuming duties of the office. [Effective 1/1/08]
- Amends IC 36-2-15-5 to provide that a transfer of assessing duties between township and county does not affect (a) any assessment, (b) any assessment appeal, (c) any official action made by an assessor before the transfer, or (d) any pending action against or rights of any party with a legal claim against an assessor. Provides that for election after June 30, 2008, if the person elected to the office of township assessor or trustee assessor that has not attained their Level II certification before the term of office begins, the assessing duties transfer to the county assessor on that date for the entire term of office. Duties can only be transferred back by a qualified person taking office after a subsequent election. [Effective 1/1/08]
- Adds IC 36-2-15-7 requiring an assessing official involved in a transfer of duties to organize and transfer the assessment records in a manner prescribed by DLGF. Requires DLGF to determine a procedure and schedule for the transfer of the records and operations. Requires assessing officials to transfer all records and provide for an uninterrupted and professional transition of assessment functions. [Effective 1/1/08]
- Amends IC 36-6-5-1 to incorporate the requirement that township assessors be certified Level II before taking office. [Effective 1/1/08]
- Amends IC 36-6-8-6 to clarify that the compensation amount a township assessor or employee receives on becoming certified is in addition to and not part of the person's annual salary. Clarifies the person is entitled to the amount if certified prior to taking office. Provides that a person who obtains level III certification is entitled to an additional amount. [Effective 7/1/07]
- (NONCODE) REPEALS IC 6-1.1-15-2.1 (notice of hearing and review of assessments by board and auditor duties – incorporated into IC 6-1.1-15-3); 6-1.1-35.5-8 (DLGF rule-making – expired) and IC 6-6-5.5-18 (CVET transition – expired). [Effective 7/1/07]
- (NONCODE) Repeals IC 6-1.1-14-2 (business personal property return filed with DLGF), 6-1.1-14-3 (DLGF review of PP returns over 150K) and IC 6-1.1-35-1.1 (certification requirements for assessing officials). [Effective 7/1/07]
- (NONCODE) Requires adjustment of maximum tax rates for each general reassessment or annual adjustment. Sets formula for adjusting maximum rate. [Effective 1/1/07]
- (NONCODE) LSA shall prepare legislation for introduction in the 2008 session to correct statutes affected by this law. [Effective upon passage (5/11/07)]
- (NONCODE) Legislative council shall provide for interim study on whether there are ways to improve the efficiency of the system for real property sales

disclosures and decrease the administrative burden of real property sales disclosure to the parties filing; the role in the system of the DLGF in rulemaking and the DLGF shall provide assistance, information and recommendations to the group. Expires January 1, 2008. [Effective upon passage (5/11/07)]

- (NONCODE) The right of registered voters to remonstrate against the issuance of bonds or a lease rental under IC 6-1.1-20-3.1 and 3.2 applies to a preliminary determination made before the effective date of the law. Expires January 1, 2008. [Effective upon passage (5/11/07)]
- (NONCODE) SBOA shall prepare and design forms and instructions for IC 6-1.1-20-3.1 and 3.2 (petition/remonstrance process). [Effective upon passage (5/11/07)]
- (NONCODE) States that amendments to the appeals process apply to appeals filed at any level after June 30, 2007. [Effective upon passage (5/11/07)]
- (NONCODE) States that IC 6-1.1-5.5-3, as amended, applies to sales disclosure forms for conveyances after December 31, 2007. [Effective 1/1/08]
- (NONCODE) States that amendments to personal property filings (IC 6-1.1-3-10 and IC 6-1.1-3-18) apply only to assessment dates after December 31, 2007. Expires January 1, 2010. [Effective 1/1/08]
- (NONCODE) States that changes to IC 6-1.1-18-12 (rate adjustments); IC 6-1.1-18-13 (school capital projects fund) and IC 6-1.1-18.5-9.8 (rate adjustments) apply to property taxes first due and payable after December 31, 2006. [Effective 1/1/07]
- (NONCODE) States that correction of various types of abatement deductions and investment deduction apply only to corrections of assessed value deduction for assessment dates after December 31, 2007. [Effective 7/1/07]
- (NONCODE) States that changes to the definition of equipment eligible for abatement under IC 6-1.1-12.1-1 apply to installation of tangible personal property after December 31, 2005. [Effective 1/1/06]
- (NONCODE) Extends the deadline to file an assessment appeal for 2006 pay 2007 assessments to the later of: (1) 45 days after receiving tax bill or provisional tax bill or (2) July 1, 2007. [Effective 7/1/06]
- (NONCODE) Increases in AV limits for over 65 deduction, veterans deduction, and WWI deduction apply to property taxes first due and payable after December 31, 2007. [Effective 1/1/07]

SEA 377 (P.L. 57-2007)

- Amends IC 25-1-4-0.5 to expand definition of continuing education as term relates to real estate appraisers. [Effective 7/1/07]
- Sets fees to provide funding for regulation of real estate appraisers. [Effective 7/1/07]

SEA 416 (P.L. 183-2007)

- Amends IC 6-1.1-12-2, changing filing period for mortgage deduction on annually assessed mobile homes from “the 12 months before March 2” to “the 12 months before March 31.” [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-12-10.1, changing filing period for over 65 deduction on annually assessed mobile homes from “period between January 15 and March 31” to “the 12 months before March 31.” [Effective 1/1/07]
- Amends IC 6-1.1-12-12, changing filing period for blind deduction on real property from “the 12 months before May 11” to “the 12 months before June 11.” Changes filing period for blind deduction on annually assessed mobile homes from “the 12 months before March 2” to “the 12 months before March 31.” [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-12-15, changing filing period for disabled veteran deduction and partially disabled veteran deduction for annually assessed mobile homes from “the 12 months before March 2” to “the 12 months before March 31.” [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-12-17, changing filing period for surviving spouse of WWI veteran deduction for annually assessed mobile homes from “the 12 months before March 2” to “the 12 months before March 31.” [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-12-17.5, changing filing period for WWI veteran deduction for annually assessed mobile homes from “the 12 months before March 2” to “the 12 months before March 31.” [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-12-27.1, changing filing period for solar energy heating/cooling deduction on real property from “the 12 months before May 11” to “the 12 months before June 11.” Changes filing period for solar energy heating/cooling deduction on annually assessed mobile homes from “between January 15 and March 31” to “the 12 months before March 31.” [Effective 1/1/07]
- Amends IC 6-1.1-12-30, changing filing period for wind power device deduction on real property from “between March 1 and June 11” to “the 12 months before June 11.” Changes filing period for wind power device deduction on annually assessed mobile homes from “between January 15 and March 31” to “the 12 months before March 31.” [Effective 1/1/07]
- Amends IC 6-1.1-12-35.5, changing the filing period for coal conversion system deduction, hydroelectric power device deduction, geothermal heating/cooling deduction and coal combustion deduction to “the 12 months before March 31” for annually assessed mobile homes, and to “the 12 months before June 11” for all other property. [Effective 7/1/07]
- Amends 6-1.1-20.9-3, changing filing period for homestead deduction/homestead credit from “the 12 months before March 2” to “the 12 months before March 31” for annually assessed mobile homes. [Effective upon passage (5/8/07)]
- (NONCODE) Specifies that above changes apply only to property taxes due and payable after December 31, 2007.
- (NONCODE) Establishes special procedures for filing and review of coal conversion system deduction, hydroelectric power device deduction, geothermal

heating/cooling deduction and coal combustion deduction for the period between 1/1/07 and 6/31/07.

SEA 434 (P.L. 106 -2007)

- Amends IC 9-17-6-1 so that a person who owns a manufactured home that is personal property not held for resale, or not attached to real estate by a permanent foundation **shall** obtain a certificate of title for the manufactured home from BMV. [Effective 7/1/07]
- Sets procedures for obtaining certificate of title from BMV. [Effective 7/1/07]

SEA 461 (P.L. 198-2007)

- Adds IC 4-23-7.3, establishing a “state GIS officer” and dictating requirements for the development of GIS information. [Effective 7/1/07]

SEA 500 (P.L. 211-2007)

- Amends 6-1.1-45-9 to allow a taxpayer in an allocation area (TIF area) to claim the enterprise zone investment deduction if approved by the governing body of the allocation area. [Effective 7/1/07]
- Amends IC 6-1.1-45-10 to allow a county auditor to grant an extension for filing EZ-2 Form upon written request showing hardship. Allows Urban Enterprise Association to waive failure to file timely or complete EZ-2 Form by resolution. [Effective 7/1/07]
- Amends IC 6-1.1-45-12 to allow an enterprise zone investment deduction to continue after the expiration of the enterprise zone. [Effective 3/1/07] Applies to assessment dates after 2/2/07 for taxes due and payable after 12/31/07. [Effective 1/1/07]
- Adds IC 20-49-8.2 which authorizes the State Board of Education to loan money from the common school fund to an “eligible school corporation” if the school has experienced a current year shortfall of at least 5% due to:
 - 1) Erroneous assessed values reported to school
 - 2) Erroneous figures used to determine school’s general fund tax rate
 - 3) A change in assessed value as a result of assessment appeals
 - 4) The payment of refunds that resulted from appeals“Eligible School Corporation” is defined as a school that is located in a county that has been reassessed under IC 6-1.1-4-32 (Lake County). The school must file an application on forms prescribed by the State Board of Education. The State Board determines the terms of the loan and the State Budget Agency approves the terms. The loan must be repaid within 36 months. The school may levy a tax in the debt service fund to repay the loan. The school may not request an excessive tax levy for the same amount. Section expires 12/31/10. [Effective upon passage (5/10/07)]

House Enrolled Acts (HEA)

HEA 1001 (P.L. 234-2007)

- Section 10. (NONCODE) Appropriates \$2,142,477,622 for property tax replacement fund.
 - Not more than \$2,028,509,197 shall be distributed as property tax replacement credits and homestead credits for calendar year 2008.
 - The distribution from the above appropriations for PTRC and Homestead Credits for 2009 may not, when added to any amount distributed after June 30, 2009, exceed \$2,028,509,197.
 - Appropriates \$300M for state paid refunds of property tax liability (IC 6-1.1-21-5) imposed on property eligible for the homestead credit in 2007.
 - Appropriates \$112,000,000 for FY 2007-2008 and \$138,000,000 for FY 2008-2009 for additional homestead credits for property taxes paid in 2008.
- [Effective 7/1/07]
- Section 37. Adds IC 5-1-14-15 to state that a county or municipality may issue bonds, notes or other obligations for the purpose of providing funds to pay pension benefits under IC 36-8-6, IC 36-8-7, or IC 36-8-7.5. Notwithstanding any other law:
 - Bonds, notes, or other obligations may not have a final maturity date exceeding forty (40) years from the date of original issuance;
 - The amount of bonds, notes or other obligations that may be issued may not exceed 2% of the true tax value of the property located within the county or municipality;
 - The proceeds of bonds, notes or other obligations issued for this purpose may be deposited to the issuing county's or municipality's separate account in IC 5-10.3-11-6.
 - This section does not relieve a county or municipality from complying with other procedural requirements for the issuance of bonds, notes or other obligations.
- [Effective 7/1/07]
- Section 38. Amends IC 6-1.1-12.4-2 to state that Real property Investment Deduction applies only to a development, redevelopment or rehabilitation that is first assessed after March 1, 2005 and before March 2, 2007. Effectively phases out the RPID two years early. [Effective 7/1/07]
- Section 39. Amends IC 6-1.1-12.4-3 to state that Personal Property Investment Deduction applies only to a purchase of personal property that is purchased after March 1, 2005 and before March 2, 2007. Effectively phases out the PPID two years early. [Effective 7/1/07]
- Section 109. IC 20-29-2-12, effective July 1, 2009. Changes the definition of school corporation to include a "public career and technical education center or school for children with disabilities established or maintained by 2 or more school corporations." [Effective 7/1/07]

- Section 204. Adds IC 6-1.1-30-16 to state that when public access to information held by both LSA and the DLGF is requested, the DLGF is responsible for responding to the request. [Effective upon passage (5/11/07)]
- Section 225. Amends IC 6-1.1-21-10 providing the schedule of PTRC distributions to county treasurers. Sets the 2007, 2008 and 2009 schedules.
 - 2007
 - March, April, September, October at 16.7%
 - May 6.2%, July 10.40%, November 16.6%
 - 2008
 - March, April, September, October 16.7%
 - May 11.4%, July 5.2%, November 16.6%
 - 2009
 - March, April, May, September, October 16.7%
 - November 16.6%

[Effective upon passage (5/11/07)]
- Section 226. Amends IC 20-24-6-7 to allow a charter school to participate in TRF, PERF or another employee pension or retirement fund. [Effective 7/1/07]
- Section 227. Amends IC 20-26-7-1 to prohibit a school corporation from making a covenant that prohibits the sale of real property to another educational institution. [Effective 7/1/07]
- Section 229. Amends IC 20-40-6-5 to delete the provision allowing for transportation costs to be paid from the general fund. [Effective 7/1/07]
- Section 230. Amends IC 20-40-8-19 to extend to the provision allowing money in the school capital projects fund to be used to pay up to 100% of utility services, property or casualty insurance or both but for CY 2008 and 2009. The school corporation's expenditures under this section may not exceed 3.5% of the school corporation's 2005 calendar year distribution. [Effective 1/1/08]
- Section 231. Amends IC 20-40-8-20 to state that CPF may not be transferred and used to pay costs attributable to transportation. [Effective 7/1/07]
- Section 235. Amends IC 20-43-2-2 to set the state tuition support amounts at \$3,812,500,000 for 2007; \$3,960,900,000 for 2008 and \$4,119,600,000 for 2009). [Effective 7/1/07]
- Section 237. Amends IC 20-43-3-1 to require the complexity index to be rounded to the nearest ten thousandth (0.0001); tuition support to the nearest dollar (\$1); and the fraction calculated in IC 20-43-2-4 to the nearest one millionth (0.000001). [Effective 1/1/08]
- Section 264. Amends IC 20-46-5-12 to provide that when a school enters into a lease with the Indiana Bond Bank for the lease of one or more school buses, the lease must conform with the 10 year bus replacement plan approved by DLGF and in the first full fiscal year after the effective date of the lease-rental agreement, there would otherwise be a reduction in the levy in an amount equal to the difference between the total purchase price of the bus or buses and the total rental payment due, the levy may not be reduced. The levy may be retained in the fund, transferred to transportation fund, or transferred to CPF. [Effective 7/1/07]

- Sections 283-289. Establish the Orange County Redevelopment Commission to promote economic development through tourism, attract new business, improve housing and engage in any other activity that promotes the development of Orange County. [Effective 7/1/07]
- Section 296. Amends IC 6-1.1-21-2.5 to authorize the property tax replacement board to decrease property tax replacement and homestead credits for calendar years 2008 and 2009 so the amount does not exceed the total appropriated for that year. Addresses 2010 calculations as well. [Effective 1/1/08]
- Section 298 Amends IC 6-1.1-21-9 to require Budget Agency, by November 15 of each year, to determine whether the available appropriation for PTRC and Homestead Credits has been made. If not, an additional amount shall be distributed before December 15 of that year for allocation by December 31 from the county treasurer for deposit into a unit's levy excess fund. [Effective upon passage (5/11/07)]
- Section 300. (NONCODE) Requires the DLGF to calculate and certify to the DOR and each county auditor an additional homestead credit amount for property taxes first due and payable in 2007. The additional homestead credit shall be paid as a refund for part of the tax liability as of March 1, 2006 or January 15, 2007 assessment date. Not later than November 1, 2007, the DOR shall distribute the funds.
 - DLGF certifies the percentage that would apply in each district to provide an additional 2007 homestead credit to taxpayers in the district. The auditor uses the certified percentage to determine the refund to each taxpayer.
 - Auditor shall certify the amount of the refund due to each taxpayer to the county treasurer no later than December 20, 2007 settlement date.
 - IC 6-1.1-26 does not apply to refunds under this section.
 - Refund shall be mailed to last known address of each person liable for property taxes or special assessments as shown on the tax duplicate or special assessment or transfer book, or the refund shall be transmitted by electronic, written or other means to a mortgagee maintaining an escrow account for a person liable for property taxes.
 - Additionally, the auditor shall mail a statement and written explanation of the refund to the last known address in 12 point type stating:

"A portion of your local property taxes due in 2007 are being refunded due to tax relief provided by the Indiana General Assembly. Your refund is in the amount of \$_____. If you did not receive a check because you pay your property taxes through an escrow account along with your mortgage, your lender will receive the refund and should adjust your payments accordingly."
 - Any remaining proceeds shall be transferred to the auditor of state for deposit in the property tax reduction trust fund.

[Effective upon passage (5/11/07)]

- Section 301. NONCODE Subject to the appropriation, the DLGF shall calculate and certify to DOR and each county auditor an additional homestead credit amount for property taxes first due and payable in 2008.
 - DLGF certifies the percentage that will apply in each taxing district to provide the additional 2008 homestead credit.
 Expires July 1, 2009. [Effective upon passage (5/11/07)]

HEA 1058 (P.L. 188-2007)

- Adds IC 36-1-11-5.7 to allow a “political subdivision” to sell or transfer real property and tangible or intangible personal property without consideration to a volunteer fire department for construction of a fire station or for other firefighting purposes. “Political subdivision” does not include Marion County townships until 7/1/08, but means all political subdivisions after 6/30/08. [Effective 7/1/07]

HEA 1211 (P.L. 89-2007)

- Amends IC 6-1.1-24-2 to require service of objections to judgment on tax sale to be served upon county auditor and county treasurer. Specifies that county auditor and county treasurer are entitled to all related court filings. For electronic tax sales, the notices must explain that the sale will be an electronic sale. [Effective 7/1/07]
- Amends IC 6-1.1-24-4 regarding mailing requirements for tax sale notices. [Effective 7/1/07]
- Amends IC 6-1.1-24-5 to allow electronic tax sales at county treasurer’s option. County treasurer must provide access to computer terminals to the public for electronic sales. County treasurer may receive electronic payments and establish rules to secure electronic payments. County treasurer may not add costs of electronic sale to parcel. [Effective 7/1/07]
- Amends IC 6-1.1-24-6 regarding tax sale certificates. [Effective 7/1/07]
- Amends IC 6-1.1-24-6.1 to allow the county executive to do extensive tax sale advertising with expenses paid from county general fund. [Effective 7/1/07]
- (NONCODE) Allows expedited tax sale for certain properties that were offered but did not sell before January 1, 2007. [Effective upon passage (4/26/07)]
- (NONCODE) Allows for acquisition of tax sale properties by metropolitan development commission in a county having a consolidated city.

HEA 1278 (P.L. 117-2007)

- Adds IC 5-13-9-11 that establishes a local government investment pool within custody of treasurer of state. [Effective 7/1/07]
 - Officers of local government units and treasurer of state may pay funds into the local government investment pool for deposit, investment, or reinvestment.
 - Treasurer of state shall invest the funds under requirements of IC 5-13-10-10.5.
 - There is no minimum time for which funds invested in the pool must be retained by the pool.
 - Administrative expenses of the pool are paid from earnings of the pool.

- Earnings above administrative expenses are credited to state and local government units investing in the pool.
- No limit on number of accounts that may be established in the pool by a unit of government.

HEA 1478 (P.L. 224-2007)

- Adds IC 3-8-1-23.5 to require a candidate election to the county board of tax and capital projects review must have resided in the county for at least one year before the election. [Effective 7/1/07]
- Adds IC 3-11-2-12.8 to require placement of county board of tax and capital project review on the ballot in a separate column. [Effective 7/1/07]
- Amends IC 6-1.1-12-37 to change the homestead deduction amount as follows:
 - 2007 pay 2008 = \$45,000
 - 2008 pay 2009 = \$44,000
 - 2009 pay 2010 = \$43,000
 - 2010 pay 2011 = \$42,000
 - 2011 pay 2012 = \$41,000
 - Payable after 12/31/2012 = \$40,000
 [Effective 7/1/07]
- Amends IC 6-1.1-12.1-1 to modify the definition of abatable equipment to include both equipment (1) acquired in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation AND (2) equipment acquired in any manner, if the tangible personal property has never been previously used in Indiana before the installation and has never been used for any purpose in Indiana before the installation. [Effective 1/1/06]
- Amends IC 6-1.1-17-5 and IC 6-1.1-17-5.6 to require submission of budget information to the county board of tax and capital projects review instead of the tax adjustment board. [Effective 7/1/07]
- Amends IC 6-1.1-17-6 to replace tax adjustment board ("TAB") with county board of tax and capital projects review ("CBTCPR"). Allows CBTCPR to review, revise, or reduce budgets, rates, and levies to the extent that TABs previously performed the review. CBTCPR must limit tax rates to the maximum tax rates allowed by statute and limit the budgets to the amount of revenue available. [Effective 7/1/07]
- Amends IC 6-1.1-17-7 to replace the TAB process with the CBTCPR process for review of budgets, rates, and levies pertaining to cross-county units. [Effective 7/1/07]
- Amends IC 6-1.1-17-8 to require CBTCPR to provide a written recommendation on budget action to county auditor. [Effective 7/1/07]
- Amends IC 6-1.1-17-11 to provide that budgets, rates and levies recommended by CBTCPR are final unless acted on by auditor or DLGF. [Effective 7/1/07]
- Amends IC 6-1.1-17-12 to require the auditor to advertise the notice of tax rates within 15 days of CBTCPR action. [Effective 7/1/07]
- Amends IC 6-1.1-17-15 to allow a political subdivision to appeal to DLGF to overturn CBTCPR action. [Effective 7/1/07]

- Amends IC 6-1.1-18-2 to clarify that CBTCPR may not adjust state property tax rates. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-2 to add a provision requiring Lake County to adopt a one percent (1%) COIT or CAGIT rate for reduction of property tax levies by December 31, 2007. Failure to adopt said income tax results in elimination of the growth factor from all civil taxing unit's maximum levy calculations. [Effective upon passage (5/11/07)]
- Amends IC 6-1.1-18.5-3 to require adjustment to maximum levy for units in a county where the property tax relief income tax has been adopted. Provides procedure for maximum levy calculation of cross-county units when only one county has adopted the property tax relief income tax. [Effective upon passage (5/11/07)]
- Amends IC 6-1.1-18.5-7 to require the CBTCPR to review and set maximum levies for new taxing units. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-8 to removes the requirement for bonds/leases to be approved by the DLGF for dates after December 31, 2008. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-11 to abolish the local government tax control board effective December 31, 2008. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-12 to require DLGF to file all excessive levy appeals for civil taxing units with the capital projects review board after December 31, 2008. Adds reference to CBTCPR review of appeals after December 31, 2008. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-13 to remove all local excessive levy appeals for taxes first due and payable after December 31, 2009, except for the following: (a) three year growth, (b) unable to carry out its duties. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-13.5 to eliminate a levy appeal for a town due to fire protection beginning with taxes due and payable after December 31, 2009. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-13.6 to eliminate a levy appeal for voting purposes beginning with taxes due and payable after December 31, 2009. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-14 to allow CBTCPR to recommend a levy appeal due to math, advertising or error in data. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-15 to clarify that the DLGF must act as final authority on the CBTCPR recommendation on levy appeals. [Effective 7/1/07]
- Amends IC 6-1.1-18.5-16 to allow an appeal for a property tax shortfall to be filed with the CTBCPR after December 31, 2008, and specifies that the DLGF makes final determination based on recommendation of CTBCPR. [Effective 7/1/07]
- Amends IC 6-1.1-20-3.2 to require approval by DLGF of debt after a petition and remonstrance **IF** required by IC 6-1.1-18.5-8 or IC 20-46-7-8, IC 20-46-7-9 and IC 20-46-7-10. [Effective 7/1/07]
- Adds IC 6-1.1-20-3.4 to allow the executive of a political subdivision to initiate a petition and remonstrance process to override the defeat of a capital project that was denied by the CBTCPR. If the political subdivision generates more signatures the project may move forward. [Effective 7/1/07]

- Amends IC 6-1.1-20-5 to remove the notice required for sale of bonds or execution of a lease if a project is approved by the CBTCPR. [Effective 7/1/07]
- Amends IC 6-1.1-20-7 to remove the 8% interest rate limit for projects approved by the CBTCPR. [Effective 7/1/07]
- Amends IC 6-1.1-20-9 to allow the CBTCPR to order a political subdivision to advertise for bids. When bids received, the information must be filed within 5 days of receipt with the CBTCPR and the CBTCPR must make a decision within 15 days. The political subdivision cannot enter into a contract while an issue is pending with the CBTCPR. [Effective 7/1/07]
- Adds IC 6-1.1-20.3 to create procedures for a distressed political subdivision to seek relief through a circuit breaker relief appeal board.
 - The circuit breaker relief appeal board consists of
 - The OMB director or designee;
 - The DLGF commissioner or designee;
 - The DOR commissioner or designee;
 - The SBOA state examiner or designee;
 - One member appointed by governor from nominees submitted by IACT
 - One member appointed by governor from nominees submitted by AIC
 - One member appointed by governor from nominees submitted by IASS
 - Governor appointments must be elected officials.
 - Members reimbursed for travel and other expenses incurred
 - DLGF provides staff and assistance to the board from DLGF budget
 - Circuit breaker relief appeal board can contract with accountants, financial experts and other advisers and consultants;
 - Beginning with taxes payable in 2008, the fiscal body of a county (or fiscal body of 2 or more political subdivisions) may petition the board for relief from the effects of the circuit breaker by filing a petition with the board.
 - Petition must include a proposed financial plan consisting of proposed budgets, efficiencies, consolidations, cost reductions, and uses of alternative or additional revenues that would enable the county to cease being distressed.
 - Circuit breaker relief appeal board can adopt procedures governing timing and content of petitions.
 - Circuit breaker relief appeal board reviews petitions and:
 - Considers financial plan, comparisons to similarly situation political subdivisions, existing revenues and expenditures, and any other factor considered relevant;
 - May temporarily establish committees or appoint nonvoting members to assist in the review; and
 - Can authorize relief if the political subdivision adopts resolution agreeing to the terms of the financial plan.

- The circuit breaker relief appeal board may grant the following forms of relief to a distressed unit if the governing body has adopted a resolution agreeing to the terms of the financial plan:
 - Increase uniformly in the county the percentage threshold (specified as a percentage of gross assessed value) at which the credit under IC 6-1.1-20.6 applies to a person's property tax liability; or
 - Provide for a uniform percentage reduction to credits otherwise provided by IC 6-1.1-20.6 in the county.
- If either form of relief is granted, the circuit breaker relief appeal board must conduct audits and reviews to determine whether the units are abiding by the terms of the financial plan.

[Effective 7/1/07]

- Amends IC 6-1.1-20.6-6.5 to change the applicability of the circuit breaker credit from "qualified residential property" to a person's homestead for pay 2008 and pay 2009. [Effective 7/1/07]
- Amends IC 6-1.1-20.6-7 to change the property tax liability limit of the circuit breaker to two percent for homestead property and three percent for all other property types beginning with taxes payable after 2009. Removes tuition support levies from circuit breaker calculations. [Effective 7/1/07]
- Amends IC 6-1.1-20.9-2 to remove the ability of the property tax replacement fund board to raise the percentage of the homestead credit. [Effective 1/1/08]
- Amends IC 6-1.1-21.2-15 to prohibit inclusion of TIR from calculation of circuit breaker credit. [Effective upon passage (5/11/07)]
- Amends IC 6-1.1-29-1 regarding the county board of tax adjustment to expire on December 31, 2008, effectively abolishing TABs. [Effective 7/1/07]
- Adds IC 6-1.1-29-1.5 to establish a county board of tax and capital projects review (CBTCPR) in each county beginning January 1, 2009.
 - The CBTCPR consists of 9 members, and all members (except the county auditor) are voting members. In the case of a tie vote, the county auditor votes to break the tie.
 - Establishes four alternative membership formulations for the CBTCPR depending on the number of municipalities and school corporations within the county. In all cases, the appointed members must be elected officials serving on the fiscal body of a taxing unit or group of taxing units. The only exception is for the two county residents separately elected by the voters to the CBTCPR.
 - This is not considered a lucrative office.
 - Capital projects review board is subject to IC 5-14-1.5 (Open Door Law) and IC 5-14-3 (Access to Public Records Act).

[Effective 7/1/07]

- Amends IC 6-1.1-29-2 to establish phase out of county TAB appointments by December 31, 2008. Requires appointment of CBTCPR members in even numbered years and initially before December 31, 2008. If a person or entity fails to make an appointment, the county fiscal body makes the appointment. Lays out requirements to run for a county appointment. Establishes procedures

and requirements for election of two laypersons to the CBT CPR for 4 year terms. [Effective 7/1/07]

- Adds IC 6-1.1-29-2.5 to establish that five members of the CBT CPR are required for official action. The county auditor if the clerk of the board and shall keep and preserve the records. [Effective 7/1/07]
- Amends IC 6-1.1-29-3 to specify how vacancies on the CBT CPR shall be filled. [Effective 7/1/07]
- Amends IC 6-1.1-29-6 to outline per diem compensation for elected members of the CBT CPR. [Effective 7/1/07]
- Amends IC 6-1.1-29-9 to allow the county council to adopt an ordinance before July 2 of any year to prohibit the CBT CPR from reviewing or modifying budgets, rates and levies. CBT CPR may review the budgets, rates and levies for informational purposes only. The ordinance may not be rescinded in the same year it is adopted. [Effective 7/1/07]
- Adds IC 6-1.1-29.5 regarding local capital projects review.
 - Chapter only applies to capital projects meeting both conditions:
 - 1) Is a controlled project under IC 6-1.1-20-1.1; and
 - 2) the capital project will cost the political subdivision more than \$7m
 - Capital project means any:
 - 1) acquisition of land;
 - 2) site improvements;
 - 3) infrastructure improvements;
 - 4) construction of buildings or structures;
 - 5) rehabilitation, renovation, enlargement of buildings or structures; or
 - 6) acquisition or improvement of machinery, equipment, furnishings, facilities required for the operation of buildings, structures, or infrastructure; or
 - 7) any combination of these.
 - The following are expressly excluded from the definition of capital project:
 - 1) wastewater treatment
 - 2) sewer systems, including storm water managements
 - 3) water storage, distribution and other drinking water systems
 - 4) water management or supply
 - 5) drainage or flood control
 - 6) any works for a water project (ic 13-11-2-269(1))
 - 7) any works for a sewage project (ic 13-11-2-269(2))
 - 8) highway or roads
 - 9) bridges
 - 10) or any other water, sewer, bridge, highway or road projects.
 - Fiscal body means: (referencing IC 36-1-2-6)
 - (1) county council, for a county not having a consolidated city;
 - (2) city-county council, for a consolidated city or county having a consolidated city;
 - (3) common council, for a city other than a consolidated city;
 - (4) town council, for a town;
 - (5) township board, for a township;

- (6) governing body or budget approval body, for any other political subdivision that has a governing body or budget approval body; or
 - (7) chief executive officer of any other political subdivision that does not have a governing body or budget approval body.
- Political subdivision means a municipal corporation under IC 36-1-2-13 (which includes everything but special taxing districts).
- The fiscal body of each political subdivision shall hold a public hearing and adopts a capital projects plan after January 1 and before October 1, 2009 and every two years after, and submit the capital projects plan and resolution or ordinance to the CBTCPR
- DLGF shall adopt a rule prescribing the format of a capital projects plan
 - Must cover 5 years immediately following year of adoption
 - General description of political subdivision
 - Description and use of owned facilities
 - Description and use of proposed facilities
 - Estimates of total cost of each proposed project
 - Identification of all sources of funds expected to be used
 - Planning, development and construction schedule
 - Any other element required
- DLGF shall adopt a rule to establish a procedure for amendment of a capital projects plan in the case of an emergency.
- Before public hearing, fiscal body publishes capital projects plan summary
- Fiscal body must allow public to speak at public hearing. Can limit testimony to reasonable time stated at the beginning of the hearing.
- CBTCPR must hold a public hearing on proposed capital projects plan. Public allowed to testify.
- Review board provides written report with findings and recommendations regarding capital projects plan within 60 business days after receipt of the plan
- If written report has element of disapproval, the political subdivision may retain that element in the plan only if it addresses the matter at a public hearing and explains the CBTCPR's concerns and why it has chosen to retain that element in the plan.
- A political subdivision considering a capital project may not:
 - Begin construction or acquisition;
 - Enter into contracts for construction or acquisition;
 - Procure supplies for construction or acquisition;
 - Issue bonds, notes, warrants, or otherwise borrow money;
 - Enter into a lease or other agreement; or
 - Approve any of the actions above;
 without the approval of the CBTCPR.
- Fiscal body may not artificially divide a capital project into multiple projects in order to avoid these requirements
- Cross county units must submit plan to each county
- Before submitting a capital project to the CBTCPR, must have public hearing that allows public testimony, and have a feasibility study done

- CBTCPR must publish notice, hold a public hearing, and allow the public to testify.
- CBTCPR may approve or deny a project after consideration of:
 - Age, condition and adequacy of existing facilities
 - Cost per square foot
 - Relative priority of proposed projects in county
 - Estimated impact on tax rates
 - Any other factors considered pertinent
 - (cannot deny a project required by a court order)
- CBTCPR must act within 90 days of submission, the project is deemed approved as submitted.
- Project denied by CBTCPR in a cross-county unit situation is denied overall.
- CBTCPR forwards all orders to political subdivision and the DLGF.
- If CBTCPR denies a capital project, political subdivision can proceed only if (a) it initiates the petition-remonstrance override process in IC 6-1.1-20-3.4, and (b) it is successful in the petition override process.
- Amends IC 6-3.5-1.1-2 to state that imposition of CAGIT ordinance must be adopted after March 31 and before August 1 of a year. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-2.3 to change adoption deadline for imposing CAGIT for jail or juvenile facilities to an ordinance adopted before August 1 takes effect September 30 of that year and after July 31 takes effect September 30 of the following year. [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-1.1-2.6 to allow Parke County an additional CAGIT tax at a rate of up to .25% for funding the costs of a capital trial moved to another county to repay borrowed money for that purpose. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-3 to allow a county council to increase the CAGIT rate upon residential taxpayers in the county after March 31 and before August 1 of a year, with an adopted ordinance that takes effect October 1 of the year the ordinance is adopted. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-3.1 to allow an adopted period of after March 31 and before August 1 with an effective date of October 1 for CAGIT. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-4 to allow CAGIT counties to rescind implementation of the rate by adoption of an ordinance after March 31 and before August 1 for an October 1 effective date. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-9 to require Department of Revenue to certify funds available for distribution as CAGIT to county auditor and DLGF not later than September 1 of each year. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-1.1-23 to specify that a pledge of CAGIT revenue under the law is enforceable, except when used for public safety, additional homestead credits, PTRC credits or family and children funding. [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-1.1-24 authorizing adoption of additional CAGIT for family and children, children psychiatric residential treatment services and mental health

funding using property tax replacement distributions. Rate is limited to 1%.
[Effective upon passage (5/11/07)]

- Adds IC 6-3.5-1.1-25 authorizing additional CAGIT rate for public safety based on using property tax replacement distribution. Rate is limited to .25%
 - Public safety defined as: police and law enforcement system; firefighting and fire prevention; EMS; emergency action; probation department of a court; confinement supervision services under a community corrections program; juvenile detention center or facility; county jail; communication system for 911; medical and health expense for jail inmates and other confined persons; pension payments; county sheriff or any other member of the county sheriff; other personnel to provide services named.
 - Money deposited must be in a separate account for public safety purposes.

[Effective upon passage (5/11/07)]

- Adds IC 6-3.5-1.1-26 authorizing additional CAGIT for property tax relief in a county. Rate may be imposed in increment of 0.05% determined by the county council. Rate is limited to 1%.
 - Used in two ways
 - Property tax replacement credits uniformly throughout the county; or
 - Used uniformly to increase the homestead credit percentage in each county on Qualified Residential Property (IC 6-1.1-20.6-4)
 - Tax revenue is treated as part of the civil taxing unit's or school corporation's tax levy for that year for the purpose of fixing budgets, rates and levies.

[Effective upon passage (5/11/07)]

- Adds IC 6-3.5-1.5 regarding calculation of levy freeze amounts.
 - Before July 1 of each year, the DOR and DLGF calculate jointly the amount of CAGIT or COIT rate imposed to raise revenue in the following year.
 - STEPS for each county
 - Estimate the ensuing year maximum levies minus current year maximum levies for all political subdivisions
 - Ensuing year family and children levy minus current year family and children levy
 - Ensuing year children special health care needs levy minus current year family and children levy
 - Ensuing year mental health levy minus current year mental health levy
 - DLGF and DOR determine rate needed in second year after the tax is imposed to raise income tax revenue equal to the estimate. Must provide by July 1 rounding to the nearest 0.1% (one-tenth of one percent).

[Effective upon passage (5/11/07)]

- Amends IC 6-3.5-6-8 to move the adoption date to after March 31 and before August 1 with an effective date of October 1. [Effective upon passage (5/11/07)]

- Amends IC 6-3.5-6 to move the COIT ordinance dates to after March 31 and before August 1 with an effective date of October 1. These dates apply to adopting the tax, freezing the rate, decreasing the rate, and increasing the rate. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-6-10 to state that COIT ordinances adopted for COIT imposition are effective October 1. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-6-17 COIT distribution method. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-6-18 to amend allowed uses of COIT funds to include new reasons: additional PTRC or homestead credits, public safety, Monroe Co jail/juvenile services, family & children welfare funding. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-6-28 to allow Howard County COIT rate for jail operating and maintenance income tax. [Effective 1/1/07]
- Amends IC 6-3.5-6-26 to state that COIT pledges must remain in place and are enforceable. [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-6-30 to allow adoption of an additional COIT that takes effect in October 1 of a year if adopted before August 1.
 - Determines the allocation method for COIT proceeds for family and children, operating levy, children's psychiatric residential treatment services fund, and mental health funding.
 - Establishes and provides funding for county stabilization fund in each COIT county.
 [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-6-31 to allow the adoption of COIT public safety tax rate at a limit of five-tenths of one percent (0.5%) for a county containing a consolidated city or twenty-five hundredths of one percent (0.25%) for other counties. [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-6-21 to allow an additional COIT rate for property tax replacement credits, to uniformly to increase the homestead credit percentage in each county or provide local property tax replacement credits for all qualified residential property (IC 6-1.1-20.6-4). Maximum rate is one percent (1%), and may be adopted in increments of five hundredths of one percent (0.05%). [Effective upon passage (5/11/07)]
- Adds IC 6-3.5-6-33 to allow Monroe County to adopt up to a .25% COIT rate to fund the operation and maintenance of a juvenile detention center facility and other facilities used for jail services, rather than using property taxes. Ordinance adopted before August 1 is in effect October 1.
 - County must provide DOR, DLGF and auditor a copy of the ordinance.
 [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-7 to change the dates for adoption, increase or decrease, or rescind of a CEDIT ordinance to after March 31 and before August 1 for an effective date of October 1. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-7-25 to state that a COIT for additional homestead credits must be adopted after March 31 and before August 1 for an effective date of October 1. [Effective upon passage (5/11/07)]

- Amends IC 6-3.5-7-26 to allow a county to adopt a uniform homestead or residential homestead credit after March 31 and before August 1 for an effective date of October 1. [Effective upon passage (5/11/07)]
- Amends IC 6-3.5-7-27 to allow a county to adopt a CEDIT rate to provide for additional funding for courthouse related improvements up to .25% after March 31 and before August 1 for an effective date of October 1. [Effective upon passage (5/11/07)]
- Amends IC 6-9-2.5-6 to allow a county to adopt an income tax or hotel/lodging at a maximum rate of 8%, previously was limited to 6%. [Effective 7/1/07]
- Amends IC 6-9-2.5-7.5 to require a county to establish a tourism capital improvement fund and deposit hotel/lodging tax funds generated by 3.5% before 1/1/10 and 4.5% after 12/31/09. [Effective 7/1/07]
- Amends IC 6-9-9-3 to require using 7% on gross income from lodging income toward tourism and convention industry in a county. At least two-sevenths of the funds must be used to provide grants to promote tourism. [Effective 7/1/07]
- Amends IC 12-19-7-3 to require any local option income taxes distributed to the county to be used to replace growth in the family and children's fund levy. [Effective upon passage (5/11/07)]
- Amends IC 12-19-7-4 requires family and children property tax levy to remain at current calendar year amount upon passage of COIT or CAGIT for this purpose. [Effective upon passage (5/11/07)]
- Amends IC 12-19-7.5-6 to require the children's psychiatric residential treatment services fund levy to be neutral when COIT or CAGIT is used for additional revenue. [Effective upon passage (5/11/07)]
- Amends IC 12-29-2-2 to freeze the county's maximum levy for mental health funding purposes. [Effective upon passage (5/11/07)]
- Amends IC 20-45 and IC 20-46 to add references for the CBT CPR to take over actions of the TAB beginning on 1/1/09. [Effective 1/1/07]
- Amends IC 20-46-7-8, IC 20-46-7-9 and IC 20-46-7-10 to state that DLGF approval is not required for capital projects and other obligations approved by CBT CPR after 12/31/08. [Effective 7/1/07]
- Adds IC 20-46-7-14 to preclude DLGF from approving a bond, lease or bus loan that does not provide for payments toward the principal of the loan on an annual basis in an amount determined by DLGF. Allows DLGF to adopt rules or guidelines to govern. [Effective 5/15/07]
- Adds IC 21-14-2-12.5 to govern tuition and mandatory fees increases for state educational institutions. [Effective 7/1/07]
- REPEALS IC 21-14-2-12. [Effective 7/1/07]
- Amends IC 20-12-1-12 to require a state educational institution to set tuition and fee rates on or before May 30 in an odd numbered year or 30 days after the state budget bill is enacted. [Effective upon passage (5/11/07)]
- (NONCODE) Clarifies that IC 6-1.1-29.5 (CBT CPR) does not apply to the following:
 - Issuance of bonds or other obligations if the preliminary determination is entered into before January 1, 2009;

- Construction of capital project if construction begins before January 1, 2009;
- Entering of a contract if it was done so before January 1, 2009;
- Procuring of supplies for a construction project if done before January 1, 2009;
- Construction of, constraint for or procuring of that using bonds, leases or other obligations if approved under IC 20-46-7 by the DLGF before January 1, 2009.

[Effective 7/1/07]

- (NONCODE) Matters pending before the county tax adjustment board on December 31, 2008 move to the CBTCPR on January 1, 2009. Terms of county tax adjustment board members expire on December 31, 2008. [Effective 7/1/07]
- (NONCODE) LSA shall prepare legislation in the 2008 session to organize and correct statutes if needed. Expires January 1, 2009. [Effective upon passage (5/11/07)]
- (NONCODE) Ordinances adopted after January 1, 2007 and before April 1, 2007 under IC 6-3.5-1.1, IC 6-3.5-6 and IC 6-3.5-7 are in effect October 1, 2007 and not July 1, 2007. [Effective upon passage (5/11/07)]
- (NONCODE) Establishes an annexation study committee to study the max levy factor of 1.15 and to determine if code revisions are needed for annexations of territory. [Effective upon passage (5/11/07)]
- (NONCODE) Extends the time frame for counties to adopt a local homestead credit to June 1, 2007 to provide the credit in 2007. [Effective 1/1/07]
- (NONCODE) An ordinance establishing or increasing the COIT rate in 2007 must be adopted before April 1, 2007, an ordinance adopted in 2007 to establish an additional rate in 2007 maybe adopted before June 1, 2007 to take effect July 1, 2007. [Effective upon passage (5/11/07)]
- (NONCODE) Howard County ordinance adopting additional COIT on April 29, 2007, is considered valid and legal as if HEA 1478 had been enacted before the ordinance was adopted. [Effective 1/1/07]
- (NONCODE) Amendments to IC 6-1.1-12-37 (homestead deduction) apply to property taxes first due and payable after December 31, 2007.

HEA 1508 (P.L. 95-2007)

- Amends IC 6-1.1-12-17.8 to allow trusts to be entitled to deductions under IC 6-1.1-12-9 (over 65), IC 6-1.1-12-11 (blind or disabled), IC 6-1.1-12 (blind), IC 6-1.1-12-13 (partially disabled veteran), IC 6-1.1-12-14 (disabled veteran), IC 6-1.1-12-16 (surviving spouse of veteran) or IC 6-1.1-12-17.4 (WWI veteran) for real property owned by the trust and occupied by an individual in accordance with IC 6-1.1-12-17.9 if the individual who occupies the real property receives the benefit of the deduction and the trust remains eligible for the deduction in the following year. [Effective 7/1/07]
- Adds IC 6-1.1-12-17.9 that states a trust is entitled to a deduction listed above for real property owned by the trust and occupied by an individual if the county auditor determines the individual (1) upon verification in the body of the deed or otherwise, has a beneficial interest in the trust; (2) otherwise qualifies for the

deduction; and (3) would be considered owner of the real property under IC 6-1.1-1-9(f). [Effective 7/1/07]

HEA 1717 (P.L. 230-2007)

- Adds IC 23-2-5-9 to regulate appraisal companies and loan brokers. [Effective 7/1/07]
 - A person licensed or registered as a real estate broker or real estate appraiser shall not knowingly bribe, coerce, or intimidate another person to corrupt or improperly influence the independent judgment of a real estate appraiser with respect to the value of any real estate offered as security for a mortgage loan.
 - Prohibits certain ownership arrangements for “appraisal companies.”
 - Expands the grounds for the securities commissioner to deny, suspend, or revoke appraiser licenses and real estate broker licenses.

HEA 1753 (P.L. 176-2007)

- Adds IC 5-20-6 that establishes a foreclosure prevention and counseling program administered by the Indiana housing and community development authority [Effective upon passage (5/4/07)]

HEA 1767 (P.L. 196-2007)

- Amends IC 6-1.1-10-16 to change the qualifications for exemption of vacant land intended to be developed to erect an exempt structure. Adds recapture provision to allow recapture of property taxes for up to four years prior to transfer. Applies to taxes due and payable after 2007. [Effective upon passage (5/8/07)]
- Amends IC 6-1.1-18.5-13 to neutralize the effect of annual adjustments for the purpose of three-year growth appeals. [Effective 7/1/07]
- (NONCODE) Allows retroactive grant of exempt status for three organizations in Vermillion County despite adjudications that deny exempt status for 2006. [Effective 1/1/07]
- (NONCODE) Allows amended personal property returns for years 2002, 2003, and 2004 to be filed between 12/31/06 and 3/1/07 and to be treated as timely. Allows taxpayer filing such returns to be entitled to exemptions claimed on said returns. Specifies that penalties and interest do not apply to such returns. Taxpayer is not entitled to a refund for any such return filed. [Effective 1/1/07]
- (NONCODE) Allows nonprofit corporation that lost a property tax exemption for failure to file application, to file application and be considered timely if filed by 1/1/08. Requires granting of the exemption if PTABOA decides taxpayer otherwise qualifies. Allows refund if entity has already paid the taxes. [Effective 1/1/07]

HEA 1774 (P.L. 232-2007)

- Amends IC 5-1.5-1-8 to add a development authority (under IC 36-7.6-1-8) to the definition of “qualified entity” for purposes of dealing with the Indiana Bond Bank. [Effective 7/1/07]

- Adds IC 6-3.5-7-28 to allow a county that is a member of a regional development authority (RDA) to impose an additional economic development income tax at a rate of five-hundredths of one percent (0.05%). [Effective upon passage (5/11/07)]
 - If the tax is adopted in a county, the county treasurer must establish a county regional development authority fund.
 - All revenues from the tax must be deposited in the county regional development fund before any certified distributions are made.
 - The revenues deposited in the county regional development fund must be transferred to the development fund of the RDA within 30 days of deposit.
 - The revenues in the county regional development fund may not be considered by DLGF for purposes of determining maximum permissible levies.
 - If a county imposes the tax, the initial revenue goes to the fund for distribution according to an 18 month period beginning July 1 of the year in which the county adopts the ordinance.
 - ¼ distributed on October 1
 - ¼ on January 1 of ensuing year
 - ¼ on May 1 of ensuing year
 - ¼ on November 1 of ensuing year.
- Amends IC 8-14-16-4 to allow a Town to contribute Major Moves funds to a RDA. [Effective upon passage (5/11/07)]
- Adds IC 36-7.6 to allow the creation of RDAs in economic growth regions designated by the Department of Workforce Development. [Effective upon passage (5/11/07)]
 - Separate body corporate and politic that carries out the duties of law
 - Can acquire, lease, construct, equip, own and finance projects and facilities for lease or to benefit the political subdivision;
 - Can fund and develop:
 - a) Airport authority projects
 - b) Commuter transportation districts and other rail projects/services
 - c) Regional transportation authority projects and services
 - d) Economic development projects
 - e) Intermodal transportation projects
 - f) Regional trail or greenway projects that are of regional importance.
 - RDA may be established by:
 - a) 2 or more counties that are located in the same economic growth region.
 - b) 1 or more counties not located in the same economic growth region and are adjacent to the economic growth region counties
 - c) 1 or more counties;
 - d) One or more second class cities that are not located in the same county or counties and are located in the same economic growth region as the counties or county described above.
 - Fiscal body of county or second class city must approve through an ordinance

- County can only be a member if it is contiguous to at least one other county that is a member of the development authority.
- Second class city has to be located in a county contiguous to at least one other county that is a member of the development authority.
- No more than 2 development authorities in a particular region.
- County or municipality can only be a member of 1 area.
- County or city that is a part of the NW regional development authority is not eligible to join a regional authority.
- Must have an ordinance signed by the fiscal body to be part of a development authority.
- OMB must contract with a CPA to conduct annual financial audits of each RDA. RDA pays the cost of the audit.

HEA 1835 (P.L. 233-2007)

- Adds IC 4-35-8 that establishes the property tax reduction trust fund. [Effective upon passage (5/11/07)]
 - Fund is administered by treasurer of state. Money to be invested in same manner as investment of other public monies.
 - Money may not be transferred, assigned, or otherwise removed from the fund by state board of finance, budget agency, or any other state agency.
 - Money in the fund does not revert to the state general fund at the end of the fiscal year.
 - Money deposited in the fund may be used for providing property tax relief in any manner prescribed by the general assembly.
- Adds IC 6-1.1-4-39.5 to require the assessment of licensed riverboats at the lowest of (1) cost approach determined under DLGF guidelines, (2) sales comparison approach (excluding values attributable to personal property and intangibles), or (3) income capitalization approach. Township assessor does not have to develop all three approaches if he agrees, prior to the Form 11 notice, with the taxpayer on the approach to be used. DLGF may adopt rules to govern application of income approach. Applies to taxes first assessed after 2/28/06 and payable after 12/31/06. [Effective 3/1/06]